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JUN 15 1962

EAST KOOTENAY POWER  
COMPANY, LIMITED

1962

*Annual Report*

# EAST KOOTENAY POWER COMPANY, LIMITED

## DIRECTORS

D. K. BALDWIN

M. R. PEERS

G. E. ELKINGTON

J. W. ROOK

A. W. FINLAYSON

P. N. THOMSON

JAS. B. WOODYATT

## OFFICERS

*President* . . . . . JAS. B. WOODYATT

*Vice-President & General Manager* . . . G. E. ELKINGTON

*Secretary-Treasurer* . . . . . W. G. E. LANNAMAN

*Asst. Secretary-Treasurer* . . . . . T. J. RAPPELL

*Asst. Secretary-Treasurer* . . . . . J. W. ROSS

## *Auditors*

PRICE WATERHOUSE & Co.

## *Transfer Agents & Registrars*

MONTREAL TRUST COMPANY

## *Head Office*

FERNIE, B.C.

# EAST KOOTENAY POWER COMPANY, LIMITED

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## DIRECTORS' REPORT

The Directors have pleasure in submitting to Shareholders their Report and the Audited Financial Statements of the Company for the fiscal year ended March 31st 1962 which are to be presented at the Annual General Meeting of Shareholders to be held at 355 St. James St. West, Montreal, on Friday, June 22nd 1962 at 10:30 A.M.

Gross operating revenue for the fiscal year was \$1,133,107 against \$989,345 in the preceding period.

The net profit for the year was \$164,475 against \$144,020.

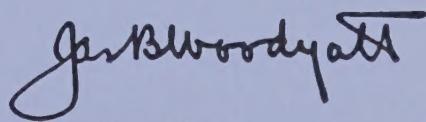
There were 807 customers at March 31st 1962. In addition, other customers are indirectly served by power supplied to municipalities in the Company's area.

There are 620 miles of transmission and distribution lines in service, of which 445 miles are company owned.

Plants, lines and substations operated satisfactorily during the year.

The Directors are pleased to place on record their appreciation of the services rendered by all employees of the Company.

On behalf of the Board,



*President.*

29 May 1962.

# EAST KOOTENAY POW

## Balance Sheet as

(with comparable bala

### ASSETS

#### CURRENT ASSETS:

	<u>1962</u>	<u>1961</u>
Cash .....	\$ 94,666	\$ 84,837
Accounts receivable .....	158,182	114,042
Materials and supplies, at cost .....	56,987	57,637
Prepaid expenses .....	27,392	27,921
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	\$ 337,227	\$ 284,437
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#### INVESTMENTS:

Marketable securities, at cost .....	\$ 447,229	\$ 917,377
(quoted value, 1962 — \$440,905)		
First mortgage bonds of the company, at cost .....	53,435	49,997
(par value, 1962 — \$54,435)		
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	\$ 500,664	\$ 967,374
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#### FIXED ASSETS:

Property, plant, equipment, power rights, etc., at cost .....	\$6,996,099	\$6,858,007
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#### NOTES:

1. Sinking fund requirements on the first mortgage bonds have been discharged up to March 31 1964.
2. No depreciation was provided during the ten year period ended March 31 1937.
3. The preference shares are redeemable at \$105 on thirty days' notice. Dividends on these shares in arrears for the period March 1 1932 to March 1 1957 amount to \$175 per share.

Signed on behalf of the board:

JAS. B. WOODYATT, Director

P. N. THOMSON, Director

\$7,833,990      \$8,109,818

#### AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the balance sheet of East Kootenay Power Company, Limited as at March 31 all the information and explanations we have required. Our examination included a general review of the necessary in the circumstances.

In our opinion, and according to the best of our information and the explanations given to us and a earned surplus are properly drawn up so as to exhibit a true and correct view of the state of the affairs of t with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

# ER COMPANY, LIMITED

at March 31 1962

as at March 31 1961)

## LIABILITIES

### CURRENT LIABILITIES:

	1962	1961
Accounts payable .....	\$ 77,951	\$ 52,518
Bond and debenture interest accrued .....	31,400	42,000
Income and other taxes payable .....	119,611	77,333
Dividend payable .....	17,500	17,500
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	\$ 246,462	\$ 189,351
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### LONG-TERM DEBT:

3 3/4% First mortgage bonds, Series A, due May 1 1967 (Note 1) .....	\$1,225,000	\$1,300,000
4 1/2% Debentures, due May 1 1968 .....	696,000	1,200,000
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	\$1,921,000	\$2,500,000
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### ACCUMULATED DEPRECIATION

ON FIXED ASSETS (Note 2) .....	\$3,200,283	\$3,048,697
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## CAPITAL STOCK AND SURPLUS

### CAPITAL STOCK:

#### Authorized —

50,000 7% cumulative preference shares of \$100 each .....	<u>\$5,000,000</u>
50,000 common shares of no par value	<u></u>

#### Issued —

10,000 7% cumulative preference shares of \$100 each (Note 3) .....	\$1,000,000	\$1,000,000
30,000 common shares for a consideration of .....	150,000	150,000
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	\$1,150,000	\$1,150,000
EARNED SURPLUS — per statement attached .....	1,316,245	1,221,770
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\$2,466,245	\$2,371,770
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\$7,833,990	\$8,109,818
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### EAST KOOTENAY POWER COMPANY, LIMITED

2 and the statement of profit and loss and earned surplus for the year ended on that date and have obtained accounting procedures and such tests of accounting records and other supporting evidence as we considered

shown by the books of the company, the accompanying balance sheet and statement of profit and loss and company as at March 31 1962 and the results of its operations for the year ended on that date, in accordance

**EAST KOOTENAY POWER COMPANY, LIMITED**

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*Statement of Profit and Loss and Earned Surplus*  
*For the Year Ended March 31 1962*

Revenue from operations .....	\$1,133,107
<b>DEDUCT:</b>	
Operating, maintenance and general expenses .....	\$ 565,753
Allowance for depreciation .....	162,500
Executive officer's salary .....	12,417
Directors' fees .....	3,650
Legal fees .....	1,600
Pension fund contributions, including \$5,937 in respect of past services .....	27,800
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Profit from operations .....	\$ 359,387
<b>ADD: Miscellaneous Income —</b>	
Income from investments .....	\$ 31,924
Profit on bonds redeemed .....	5,172
Sundry profits and income .....	11,687
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	\$ 408,170
<b>DEDUCT: Interest on bonds and debentures .....</b>	
	92,528
<b>Profit before income taxes .....</b>	
	\$ 315,642
Income Taxes .....	151,167
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<b>NET PROFIT FOR THE YEAR .....</b>	<b>\$ 164,475</b>
<b>ADD: Earned surplus as at March 31 1961 .....</b>	
	1,221,770
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	\$1,386,245
<b>DEDUCT: Dividends on preference shares .....</b>	
	70,000
<b>EARNED SURPLUS AS AT MARCH 31 1962 .....</b>	
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	\$1,316,245

EAST KOOTENAY POWER COMPANY, LIMITED

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*Comparative Statistics 1958-1962*

*For the Years Ended March 31st*

	1962	1961	1960	1959	1958
Electric revenue.....	\$ 1,133,107	\$ 989,345	\$ 941,148	\$ 878,784	\$ 936,786
Miscellaneous revenue.....	48,783	58,530	50,630	46,066	45,804
<b>Gross revenue.....</b>	<b>\$ 1,181,890</b>	<b>\$1,047,875</b>	<b>\$ 991,778</b>	<b>\$ 924,850</b>	<b>\$ 982,590</b>
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Operation.....	354,272	297,794	269,588	266,050	263,404
Maintenance.....	148,522	146,002	136,088	107,993	143,438
Employees' pension fund.....	27,800	24,575	21,400	21,777	23,270
Taxes (ex. income tax).....	80,626	64,957	59,118	56,671	54,469
<b>Total operation, maintenance and taxes..</b>	<b>\$ 611,220</b>	<b>\$ 533,328</b>	<b>\$ 486,194</b>	<b>\$ 452,491</b>	<b>\$ 484,581</b>
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Earnings from operations.....	\$ 570,670	\$ 514,547	\$ 505,584	\$ 472,359	\$ 498,009
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Interest.....	92,528	102,177	105,290	108,129	110,023
Depreciation.....	162,500	156,600	159,750	168,000	173,500
<b>Total deductions.....</b>	<b>\$ 255,028</b>	<b>\$ 258,777</b>	<b>\$ 265,040</b>	<b>\$ 276,129</b>	<b>\$ 283,523</b>
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Net earnings before income tax.....	\$ 315,642	\$ 255,770	\$ 240,544	\$ 196,230	\$ 214,486
Income tax.....	151,167	111,750	105,650	77,450	87,700
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Net profit for the year.....	\$ 164,475	\$ 144,020	\$ 134,894	\$ 118,780	\$ 126,786
Surplus brought forward.....	1,221,770	1,147,750	1,082,856	1,034,076	977,290
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Preferred dividend.....	70,000	70,000	70,000	70,000	70,000
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Surplus carried forward.....	\$ 1,316,245	\$ 1,221,770	\$ 1,147,750	\$ 1,082,856	\$ 1,034,076
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Kilowatt-Hour output.....	128,633,327	112,946,240	108,321,623	89,486,835	83,985,335

